

ARAPAHOE COMMUNITY COLLEGE PERFORMANCE PAY PROGRAM

Overview

The Arapahoe Community College Colorado Performance Pay Program is in accordance with CRS 24-50-104(1)©(III), enacted by the Colorado General Assembly as part of SB 00-211. This plan changes the environment of state government by moving us towards a pay for performance environment. The anticipated results are a more efficient, higher performing workforce.

The Performance Pay Program gives Arapahoe Community College employees the opportunity to align their goals and objectives with goals and objectives of Arapahoe Community College.

Arapahoe Community College formed a committee to develop this plan. The committee is comprised of classified employees and the Director of Human Resources. The College's Executive Staff reviewed and approved the Performance Pay Program.

Performance Management

Performance Management is a system that is implemented to ensure that the performance expected from employees is identified and rewarded.

The annual rating cycle is April 1 through March 31. All supervisors of classified employees must have the planning sessions completed by March 31. Supervisors must complete a plan for new employees within 30 days of the hire date and they must meet with the new employees to complete an evaluation and planning session. A minimum of one mid-year review must be conducted. In addition, the supervisors must provide ongoing coaching and feedback throughout the year. Prior to completing the final evaluation rating, supervisors will seek feedback from the employee's co-workers on the employee's performance.

The Performance Pay Program contains the statewide uniform core competencies as defined by the State Personnel Director. These core competencies are labeled as follows, Work Habits, (addresses accountability), Communication Skills, Customer Service (addresses interpersonal skills and is one of ACC's goals), and Problem Analysis and Decision Making. In addition the Performance Pay Program includes job duties (from the PDQ) and goals (addresses job knowledge). If an employee has supervisory job duties, (from the PDQ) his/her performance is measured and evaluated to determine the effectiveness of his/her performance management of his/her employees.

The Performance Pay Program consists of four possible rating levels: Level 1 – Needs Improvement, Level 2 –Satisfactory, Level 3 –Commendable, and Level 4 – Meritorious. Within each category, the supervisor should indicate the standard of performance that

employee “Meritorious.” “Meritorious” is unique and difficult to achieve because it represents consistently exceptional performance or achievement beyond the regular assignment and any department definition must reflect this concept. If the employee doesn’t meet the satisfactory standard, he/she will be rated, as Needs Improvement for that category. If an employee receives an over-all “Needs Improvement” rating, he/she will receive a corrective action.

Employees will be evaluated and rated based upon their performance. They will not be evaluated based upon quotas of a number of ratings in each of the four performance levels.

The supervisor is responsible for planning and evaluating in writing an employee’s job performance. If the supervisor fails to plan and/or evaluate an employee’s job performance, the next level supervisor is responsible for completing the plan/evaluation. If the next level supervisor fails to complete the plan and/or evaluation, the next level supervisor is responsible for completing the plan and/or evaluation. This process continues through the chain of command up to the President of the College until the plan and/or rating is completed as required by law.

All supervisors are subject to the sanctions imposed by CRS 24-50-118 (requirements for increments of 5-day suspension for all supervisors failing to provide timely evaluations.) (e.g. Supervisors can receive more than one suspension for not completing a timely evaluation.) In addition, the Director’s Administrative Procedures provide that classified supervisors who don’t do timely plans and evaluations are not eligible for performance awards. Arapahoe Community College will comply with the State Department of Personnel Director’s Administrative Procedures.

The second level supervisor (or rater’s supervisor) is required to review the evaluation of the employee’s performance.

If an employee fails to receive a final performance evaluation, a default rating of “satisfactory” will be given.

An executive committee comprised of one administrator, one classified employee, and a representative from Human Resources will review the quality of the process. The administrator and classified employee will be selected annually to sit on the committee by the respective estates.

The Human Resources Office shall be the official custodian of the Performance Evaluation forms.

Supervisors and employees will participate in a mandatory performance management training to ensure that performance criteria relates appropriately to individual jobs, that the measurements accurately reflect performance requirements, and that employees receive sufficient performance feedback to meet or exceed organizational requirements and expectations.

Arapahoe Community College will comply with the reporting requirements as specified by the State Personnel Director.

Budget Allocation/Award Distribution

During the first year of transition to a common date, we will use an individual, employee-based annualization process. Awards for each level of performance will be specified as a percentage of salary. In the first year of system implementation, this percentage will be calculated by first determining the award percentage as in any other year. Then each individual's actual dollar award will be calculated based on his or her anniversary date.

In subsequent years, this calculation will be unnecessary because the funding available for performance awards will not be limited by the need to annualize anniversary increases.

The appointing authority will make pay decisions based on the evaluations completed by the supervisors and/or raters.

The annual total compensation plan will be implemented at Arapahoe Community College according to statute.

The Director of Human Resources will within thirty days of the distribution of performance awards announce whether the awards granted will be base building, non-base building, or a combination of both. And the type of award will be the same for all classified employees.

Annual base and non-base building performance awards will be a percent of the pay for the performance pool which will be communicated to the employee as a percent of salary, effective on the statewide common date of July 1. Source of funding, method of funding, and length of state service shall not be criteria for distinguishing between non-base and base building or combination performance awards. Awards are subject to funding and no award is guaranteed.

Non-base building awards are paid in a lump sum in the July payroll.

Budget Allocation/Award Distribution:

Arapahoe Community College will budget an amount equal to what would have been required to fund anniversary increases. Arapahoe Community College will report annually the amount of awards that are given as required.

We will specify the maximum award percentages for Levels 2 and 3 based on the college's budget, employee salaries, and distribution of ratings. The award percentage may be a range for each level. The minimum award for Level 2 must be more than zero and less than minimum for Level 3, and the maximum award set for Level 3 will be less

than the award for level 4. The maximum award for Level 4 will be up to the maximum percentage set annually by the State Personnel Director.

1. We will allocate the total Pay-for-Performance pool to each of the three eligible performance levels by the percent of salaries in each level to the qualified employees' total salaries as of July 1.
2. We will distribute the Pay-for-Performance pool for Satisfactory, Commendable, and Meritorious based on the percent of each individual employee's salary at July 1, to the total salary base for the pool.
3. If a Pay-for-Performance increase takes an employee above the maximum, the excess Pay-for-Performance should be redistributed to all levels as described in steps one and two above (excluding those who have reached the maximum).

Award Eligibility

Level 1 performers are not eligible for a performance award.

For those below the pay range maximum, Level 2 through Level 4 performers are eligible for base building, non-base building, or a combination of performance awards. No base building award can be granted that results in a base salary that exceeds the pay range maximum. For Level 2 and Level 3 performers, a combination of awards cannot be granted that result in a dollar amount greater than the pay range maximum. Furthermore, only Level 4 performers may, at the sole discretion of the appointing authority, be granted a non-base building award that results in a dollar amount above the pay range maximum.

For those currently at the pay range maximum only Level 4 performers are eligible for performance-based award. Payments of awards for those at the maximum of their pay range are limited to non-base building awards and are at the sole discretion of the appointing authority. Level 2 and Level 3 performers at the maximum of the pay range are not eligible for any performance award.

The minimum award for those currently at the maximum of their pay ranges is set at zero because payment of these awards is at the sole discretion of the appointing authority.

Regardless of performance level, an employee cannot be granted an award or combination of awards greater than the set performance award maximum.

Supervisors are encouraged to use a variety of non-salary and monetary incentives available to supplement salary-based performance awards.

Teamwork may be measured as a component of an individual's performance plan and awards (base and non-base) proportioned accordingly.

The President and Vice Presidents will determine equitable allocation of funds among divisions and will oversee the quality of the performance pay program within their divisions.

Dispute Resolution

The Community Colleges of Colorado will utilize one common dispute resolution process as prescribed by the Community Colleges of Colorado.

Training/Communication

All classified Arapahoe Community College employees and their supervisors underwent training conducted by a professional contractor during 1999. The training consisted of approximately eight hours for both groups. Each individual was given a comprehensive training manual. In addition, Arapahoe Community College has availed itself of several training sessions conducted by the General Support Services Staff.

The Human Resource Director, as a part of the Arapahoe Community College New Employee Orientation Program, will provide new employees training on performance management.

Performance Plan Evaluation

The Human Resources Office shall solicit input annually from classified employees and supervisors concerning the Performance Management process and revise the Performance Pay Program as needed.

This concludes the Arapahoe Community College Performance Pay Program. We respectfully submit these recommendations for approval.

Enclosures: Performance Pay Program Checklist
 Pay for Performance Dispute Resolution Process
 CC of C Performance Planning and Evaluation Form
 Training Manual for Supervisors

Revised: March 8, 2002